GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:2799
ANSWERED ON:17.12.2004
MERGER OF GTB
Khanduri AVSM,Maj.Gen.(Retd.) Bhuwan Chandra

Will the Minister of FINANCE be pleased to state:

(a) whether the personnel serving in Global Tmst Bank will continue to get the same emoluments as they were getting prior to the merger of the Bank with the Oriental Bank of Commerce (OBC);

(b) whether these emoluments are higher than those being given to the personnel of the OBC;

(c)if so, the justification for giving special treatment to a bank which was mismanaged and running in loss;

(d)whether the Government is aware of the discontentment in this regard amongst the personnel of OBC; and

(e) if so, the remedial steps taken by the Government in this regard ?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALAMMANICKAM)

(a),(b)&(d): Yes, Sir.

(c): In terms of Scheme of Amalgamation sanctioned by Government, all the employees of the erstwhile Global Trust Bank shall continue in service and be deemed to have been appointed in the OBC at the same remuneration and on the same terms and conditions of service, as were applicable to such employees immediately before the close of business on the 24th July, 2004. In terms of the said Scheme, the OBC shall, not later than the expiry of the period of three years from the date on which the Scheme is sanctioned, pay or grant to the employees of the GTB whose services are continued in the OBC, the same remuneration and the same terms and conditions of service as are applicable to the employees of corresponding rank or status of OBC.

(e): Government has urged OBC to take immediate steps to reduce the time of transition from the stipulated three years.